From the

INTERNATIONAL PRELIMINARY EXAMINING AUTHORITY

To: **GAL EHRLICH** C/O ANTHONY CASTORINA 2001 JEFFERSON DAVIS HIGHWAY SUITE 207 ARLINGTON, VA 22202

NOTIFICATION OF TRANSMITTAL OF INTERNATIONAL PRELIMINARY **EXAMINATION REPORT**

(PCT Rule 71.1)

Date of Mailing (day/month/year)

04 MAR 2005

Applicant's or agent's file reference

26646

IMPORTANT NOTIFICATION

International application No.

International filing date (day/month/year)

Priority date (day/month/year)

PCT/IL03/01027

03 December 2003 (03.12.2003)

05 December 2002 (05.12.2002)

Applicant

TECHNION RESEARCH & DEVELOPMENT FOUNDATION LTD.

- The applicant is hereby notified that this International Preliminary Examining Authority transmits herewith the international preliminary examination report and its annexes, if any, established on the international application.
- A copy of the report and its annexes, if any, is being transmitted to the International Bureau for communication to all the elected Offices.
- Where required by any of the elected Offices, the International Bureau will prepare an English translation of the report (but not of any annexes) and will transmit such translation to those Offices.

REMINDER

The applicant must enter the national phase before each elected Office by performing certain acts (filing translations and paying national fees) within 30 months from the priority date (or later in some Offices)(Article 39(1))(see also the reminder sent by the International Bureau with Form PCT/IB/301).

Where a translation of the international application must be furnished to an elected Office, that translation must contain a translation of any annexes to the international preliminary examination report. It is the applicant's responsibility to prepare and furnish such translation directly to each elected Office concerned.

For further details on the applicable time limits and requirements of the elected Offices, see Volume II of the PCT Applicant's Guide.

Name and mailing address of the IPEA/US

Mail Stop PCT, Attn: IPEA/US Commissioner for Patents

P.O. Box 1450 Alexandria, Virginia 22313-1450

Facsimile No. (703) 305-3230

Authorized officer

Telephone No. 571-272-1600

Leon Lankford 7. Roberts for

Form PCT/IPEA/416 (July 1992)



INTERNATIONAL PRELIMINARY EXAMINATION REPORT

(PCT Article 36 and Rule 70)

Applicant's or agent's file reference	T						
26646	FOR FURTHER ACTION	See Notification of Transmittal of International Preliminary Examination Report (Form PCT/IPEA/416)					
International application No.	International filing date (day/mon	th/year) Priority date (day/month/year)					
PCT/IL03/01027	03 December 2003 (03.12.2003)						
International Patent Classification (IPC)	or national classification and IPC	05 December 2002 (05.12.2002)					
IPC(7): C12N 5/00 and US C1.: 435/325							
Applicant	7, 300, 424/33.7						
TECHNION RESEARCH & DEVELOP	MENT FOUNDATION LTD.						
	a management to the applicant acc	prepared by this International Preliminary cording to Article 36.					
2. This REPORT consists of a	a total of sheets, including the	his cover sheet.					
This report is also accompanied by ANNEXES, i.e., sheets of the description, claims and/or drawings which have been amended and are the basis for this report and/or sheets containing rectifications made before this Authority (see Rule 70.16 and Section 607 of the Administrative Instructions under the PCT).							
These annexes consist of a		and the rery.					
3. This report contains indicat	ions relating to the following ite	ms:					
I Basis of the repor	rt .	•					
II Priority							
III Non-establishmen	t of report with regard to novelt	y, inventive step and industrial applicability					
IV Lack of unity of i	nvention						
V Reasoned stateme applicability; citat	nt under Article 35(2) with regations and explanations supporting	rd to novelty, inventive step or industrial					
VI Certain documents		s such statement					
VII Certain defects in	the international application						
	ns on the international application	on					
Date of submission of the demand	Date of c	completion of this report					
6 December 2004 (06.12.2004)	21 Februa	ry 2005 (21.02.2005)					
ame and mailing address of the IPEA/US	Anth-:-	1.05					
Mail Stop PCT, Attn: IPEA/US Commissioner for Patents	Authorized	A Politicer					
P.O. Box 1450 Alexandria, Virginia 223 13-1450	Leon Lan	akford 7. Roberts for					
csimile No. (703) 305-3230	Telephone	No. 571-272-1600					
n PCT/IPEA/409 (cover sheet)(July 1998)							

International Cation No.	-
PCT/IL03/01	

I.	Ba	sis of the report				
1.	With regard to the elements of the international application:*					
	\boxtimes	the international application as originally filed.				
	\times	the description:				
		pages 1-53 as originally filed				
		pages NONE , filed with the demand pages NONE , filed with the letter of				
	∇	the claims:				
		pages 54-78, as originally filed				
		pages NONE, as amended (together with any statement) under Article 19				
		pages NONE , filed with the demand				
		pages NONE , filed with the letter of				
		the drawings:				
		pages 1-10, as originally filed pages NONE, filed with the demand				
		pages NONE , filed with the letter of				
		the sequence listing part of the description:				
		pages NONE , as originally filed				
		pages NONE, filed with the demand pages NONE, filed with the letter of				
2.	Witl	h regard to the language, all the elements marked above were available or furnished to this Authority in the				
	rang	uage in which the international application was filed, unless otherwise indicated under this item				
	Thes	se elements were available or furnished to this Authority in the following language which is:				
	\sqcup	the language of a translation furnished for the purposes of international search (under Rule23.1(b)).				
		the language of publication of the international application (under Rule 48.3(b)).				
		the language of the translation furnished for the purposes of international preliminary examination (under Rules 55.2 and/or 55.3).				
3.	With	regard to any nucleotide and/or amino acid sequence disclosed in the international application, the				
	inten	national preliminary examination was carried out on the basis of the sequence listing:				
		contained in the international application in printed form.				
		filed together with the international application in computer readable form.				
	\bigsqcup	furnished subsequently to this Authority in written form.				
		furnished subsequently to this Authority in computer readable form.				
i	Ш	The statement that the subsequently furnished written sequence listing does not go beyond the disclosure in the international application as filed has been furnished.				
,		The statement that the information recorded in computer readable form is identical to the written sequence listing has been furnished.				
4. [The amendments have resulted in the cancellation of:				
		the description, pages NONE				
		the claims, Nos. NONE				
		the drawings, sheets/fig NONE				
5. [This report has been established as if (some of) the amendments had not been made, since they have been considered to go				
_	Ţ	beyond the disclosure as filed, as indicated in the Supplemental Box (Rule 70.2(c)).**				
Replacement sheets which have been furnished to the receiving Office in response to an invitation under Article 14 are referred to in his report as "originally filed" and are not annexed to this report since they do not contain amendments (Rules 70.16 and 70.17). *Any replacement sheet containing such amendments must be referred to under item 1 and annexed to this report.						
	· .					

INTERNATIONAL PRE

NARY EXAMINATION REPORT

International applicati	on No.
PCT/IL03/01	
1 0 17 120370	

citations and explanations supporting such statement							
1.	STATEMENT						
	Novelty (N)	Claims	1-192	YES			
		Claims	NONE .	NO			
	Inventive Step (IS)	Claims	1-192	YES			
		Claims	NONE	NO			
	Industrial Applicability (IA)	Claims	1-192	YES			
		Claims	NONE	NO			

2. CITATIONS AND EXPLANATIONS

Claims 1-192 meet the criteria set out in PCT Article 33(2)-(3), because the prior art does not teach or fairly suggest a method of generating insulin secreting cells comprising culturing embryonic stem cells under conditions to produce a cell with a pancreatic islet cell progenitor phenotype and than culturing said cell under conditions to produce an insulin secreting cell.

Claims 1-192 meet the criteria set out in PCT Article 33(4), and thus have industrial applicability because the subject matter claimed can be made or used in industry.

Form PCT/IPEA/409 (Box V) (July 1998)